VZCZCXRO1428 RR RUEHAST RUEHHM RUEHLN RUEHMA RUEHPB RUEHPOD RUEHTM DE RUEHNE #2579/01 2691143 ZNR UUUUU ZZH R 251143Z SEP 08 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC 3572 RUEHCI/AMCONSUL KOLKATA 2803 RUEHCG/AMCONSUL CHENNAI 3560 RUEHBI/AMCONSUL MUMBAI 2620 RHEBAAA/DEPT OF ENERGY WASHDC RUCPDC/NOAA NMFS WASHINGTON DC RUEAUSA/DEPT OF HHS WASHDC RUEHRC/DEPT OF AGRICULTURE WASHDC RUEHPH/CDC ATLANTA GA RUCPDOC/DEPT OF COMMERCE WASHDC RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHDC RHEHNSC/NSC WASHDC

RUEHZN/ENVIRONMENT SCIENCE AND TECHNOLOGY COLLECTIVE

UNCLAS SECTION 01 OF 02 NEW DELHI 002579

RHEHAAA/WHITE HOUSE WASHDC

STATE FOR OES/PCI, OES/STC, OES/SAT, OES/EGC, AND SCA/INS
STATE FOR STAS
STATE PASS TO NSF FOR INTERNATIONAL PROGRAMS
HHS PASS TO NIH
STATE PASS TO USAID
STATE FOR SCA, OES (STAS FEDOROFF), OES/PCI STEWART; OES/IHB MURPHY
PASS TO HHS/OGHA (STEIGER/ABDOO/VALDEZ), CDC (BLOUNT/FARRELL),
NIH/FIC (GLASS/MAMPILLY/HANDLEY), FDA (LUMPKIN/WELSCH, GENEVA FOR
HOFMAN)
PASS TO MAS/DAS/JESTRADA
PASS TO MAC/DAS/HVINEYARD

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: TBIO SENV AMED CASC KSCA ECON ETRD BEXP EINV PGOV

TSPL, TRGY, TNGD, EIND, ENRG, KGHG, IN

SUBJECT: CHINA TAINTED MILK RAISES CONCERN IN INDIA CLOSE TO FESTIVE SEASON

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- 11. (U) SUMMARY: While China's adulterated milk and milk products worries consumers and regulators, fanning fears across Asia, India's Food Safety and Standards Authority (FSSA) sought a three month ban on the import of dairy products from China. Incidentally, the Indian Ministry of Food Processing Industries is holding a national seminar on non- biological contaminants in food including milk and processed dairy products, feed and their safety standards. India at this time of the year faces the challenge of adulterated milk and milk products at a time of high demand for milk products during the Indian festive season beginning October. This cable outlines issues India has faced particularly in the northern States of Delhi, Uttar Pradesh, Bihar and Rajasthan. END SUMMARY.
- ¶2. (U) India accounts for 14 percent of the world's milk production, comprising 40 percent cow and 60 percent buffalo milk products. Of this, only 15 percent of milk is processed in factories for liquid milk and milk products. India is an exporter of milk and its products with a total production of about 42.6 million tons in 2006-07 and is growing at 4% per year. India exported 88 million tons in milk products to the United States last year and this is expected to grow to over 100 million tons in 2008. However, India blocks all U.S. dairy products due to health concerns.

India's Adulterated Milk Challenge

13. (U) Indian sweets made from milk and milk products are an integral part of the Indian festivities at this time of the year.

In past years, India had to grapple with milk sold in cities including Delhi and Mumbai adulterated with chalk, urea, soap, and other whiteners. Indian milk sweets are also mixed with synthetic colors which are not food-grade. In a milk adulteration scandal in Delhi in 2004, out of the 229 milk samples 40 were adulterated mostly in the milk supplied by dairies situated in the outskirts of the city. In November 2007, the Mumbai Minister of State for Food and Drug Supplies had said during Diwali, "We have instituted special squads and are keeping constant vigil". In October 2005, the Punjab health authorities had instructed civil surgeons to issue written directions to all sweet shop owners making it mandatory for them to inform about the consignment of milk products being brought from other States such as Uttar Pradesh, Bihar and Rajasthan.

14. (U) Another problem that India faces is the sale of "synthetic milk." This formulation is not milk but comprises a high degree of adulterants such as water, pulverized detergent or soap, sodium hydroxide, vegetable oil, salt and urea. Synthetic milk preparation also begins at the village level. The ingredients that go into making this dubious milk are calculated in such a way that the fat and solids not fat (SNF) percentage is similar to milk. Synthetic milk characteristics include turning pale yellow after some time, foam formation when the liquid is rubbed, and high alkalinity (pH 10-11).

India's Measures to Combat the Challenge

15. (SBU) The Health Minister, Dr. Anbumani Ramadoss, in a meeting with the Health Attach yesterday stated that he met with senior officials of his Ministry to impress on them that they would need to stay vigilant on the imports of Chinese milk and milk products entering the Indian market. The Minister has instructed his staff to

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quietly determine if Indian milk is contaminated with melamine. Health Attach spoke of the challenge of milk adulteration in Indian markets during festival season and Ramadoss said that this was of great concern to him and he has instructed his staff to be vigilant and conduct periodic testing this year.

- 16. (U) On 23 September 2008, Food Safety and Standards Authority (FSSA) Chairperson Dr. P.I. Suvrathan had called a meeting with representatives of key ministries, including agriculture, food and commerce, to discuss reports of milk contamination in China. At the same time, officials at the policy level meeting also focused on measures that India could take to prevent a similar occurrence. An official stated, "The same thing that happened in China could happen in India also." Like China, India is a large supplier of milk and milk products with a market size estimated to be USD 47.6 billion and growing at the rate of 7.5% each year. India is governed by the Milk and Milk Product Order (MMPO), 1992 that seeks to ensure the supply of liquid milk that regulates its processing and distribution.
- 17. (U) Following this meeting, the FSSA has sought a 3 month ban on the import of dairy products from China. The FSSA will forward this decision taken at the above policy meeting to the Ministry of Commerce and Industry for consideration and implementation. Also, the FSSA has advised the Ministry of Agriculture to issue an advisory to States and importers regarding further import of dairy products from China. The Ministry of Health FSSA is an autonomous statutory body set up under the Food Safety and Standards Act, 2006 for laying down science-based decision making for food safety and regulation.
- 18. (U) Meanwhile, on 23-24 September 2008 a national seminar was held in Delhi on Non-biological contaminants in food, feed and their safety standards. The seminar attended by the Vice President of India Mr. Mohammad Hamid Ansari and Minister of State for Food Processing Industries Mr. Subodh Kant Sahai was to provide a platform for experts to deliberate on food safety and relevant issues and to help evolve a road map for India to achieve excellence in food safety.
- 19. (U) Mission Health Office will be following developments closely

and will report on any new developments. ${\tt DAVISON}$